

ORDINANCE NO. 2024-01 OF THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 16, "PENSIONS AND RETIREMENT", ARTICLE II, "EMPLOYEES' RETIREMENT SYSTEM", DIVISION 2, "PENSION PLAN", AMENDING SECTION 16-43(c)(3), DEFERRED RETIREMENT OPTION PLAN, TO PROVIDE THAT THE DROP EARNINGS SHALL BE AN ANNUALIZED RATE EQUAL TO THE SEPTEMBER 30 ONE-YEAR RATE OF EXPECTED INVESTMENT RETURN MINUS ONE PERCENT (1%); PROVIDING FOR SEVERABILITY. THE REPEAL OF LAWS IN CONFLICT, CODIFICATION, AND AN EFFECTIVE DATE

WHEREAS, the City has established and maintained the City of Lake Worth Beach Employees Retirement System ("Pension Plan"), the provisions of which presently are set forth in Divisions 1 and 2 of Article II of Chapter 16 of the City Code; and

WHEREAS, it is desirable that earnings for Deferred Retirement Option Plan (DROP) accounts be amended to reflect reasonable expectations; and

WHEREAS, the trustees of the City of Lake Worth Beach General Employees' Retirement System have requested and approved the amendments provided herein as being in the best interests of the participants and beneficiaries and improving the administration of the Fund, and

WHEREAS, the City Commission has received and reviewed the impact statement concerning the amendment;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA:

SECTION 1. Article II, Division 2, Section 16-43, "Deferred retirement option plan" of the Code of Ordinances of the City of Lake Worth Beach, is amended by deleting the stricken through language and adding the underlined language as follows:

Sec. 16-43. - Deferred retirement option plan.

[...]

(c) DROP plan features.

[...]

- (3) During a participant's participation in the DROP, the participant's monthly retirement benefit will be paid into the DROP account. Effective January 1,

2011, a participant's DROP account will earn an annualized rate equal to the September 30 one-year expected rate of investment return minus one-percent (1%) interest at the one-year LIBOR Rate plus one (1) percent as of September 30 each year, not to exceed the plan's annual assumed rate of investment return. Provided however, that should the plan's net investment return be negative, DROP accounts shall be credited with zero (0) return.

SECTION 2. Severability. That if any word, phrase, clause, subsection or section of this ordinance for any reason be held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

SECTION 3. Repeal of Laws in Conflict. That all sections or parts of sections of the Code of Ordinances, all ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict herewith and the same are hereby repealed to the extent of such conflict.

SECTION 4. Codification. The sections of this Ordinance may become a part of the City Code of Ordinances and may be renumbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section," "division," or any other appropriate word.

SECTION 5. This Ordinance shall become effective 10 days after final passage.

The passage of this ordinance on first reading was moved by _____ seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch
Vice Mayor Christopher McVoy
Commissioner Sarah Malega
Commissioner Kim Stokes
Commissioner Reinaldo Diaz

The Mayor thereupon declared this ordinance duly passed on first reading on the _____ day of _____, 2024.

The passage of this ordinance on second reading was moved by Commissioner _____, seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch
Vice Mayor Christopher McVoy
Commissioner Sarah Malega
Commissioner Kim Stokes
Commissioner Reinaldo Diaz

The Mayor thereupon declared this ordinance duly passed on the ____ day of _____, 2024.

LAKE WORTH BEACH CITY COMMISSION

By: _____
Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk